

## MEMORANDUM

TO:

LOMBARD PLAN COMMISSION

Donald Ryan, Plan Commission Chairperson

FROM:

Jennifer Ganser, AICP, Assistant Director

Department of Community Development

DATE:

February 18, 2019

SUBJECT: Workshop – Breweries, Distilleries, etc.

In 2014, (PC 14-07) the Plan Commission approved a text amendment and companion conditional use for microbreweries (Noon Whistle) in the B4A Roosevelt Road Corridor District. Currently, staff allows food and dairy manufacturing (regardless of alcohol content) as a conditional use in the Industrial (I) District. Afterthought Brewery is located in the I District, however this does not allow for tastings; it is strictly for manufacturing. However, Noon Whistle's conditional use permit allows manufacturing of beer and the tasting and purchasing of beer.

Breweries are not a new concept to Lombard. Taylor Street Brewing existed on Butterfield Road as a restaurant and brewery until they closed. The site is currently Chick-Fil-A. Rock Bottom Brewery (restaurant and brewery) is located at Yorktown Mall. Afterthought Brewery was formally Flesk Brewery (relocated to Barrington).

Staff has since been approached by other breweries and businesses that make alcohol. Staff has also noticed a trend in breweries, distilleries, and wineries/cider distilleries. The ECDC will recall a brewery was proposed as part of one of the proposals for 101-109 S. Main Street and questions were raised by Trustees regarding zoning entitlements.

Staff is bringing a potential text amendment forward for review by the Economic and Community Development Commission (ECDC) and the Plan Commission. Staff requests the ECDC review this as a business policy and requests the Plan Commission review this as a potential text amendment to the Zoning Code.

At the February 11<sup>th</sup> ECDC meeting, the ECDC reviewed the topic. They unanimously concurred with Staff to bring this item to the Plan Commission for a workshop and were supportive of the amendments. They agreed that the use should be a conditional use as that gives the Village additional control.

Staff contacted other municipalities to gather information.

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| Municipality | Business                                | Actions  |
|--------------|---|--|
| Evanston     | FEW Spirits, Smylie Brothers,           | Numerous zoning actions have                           |
|              | Sketchbook Brewing Co.,                 | been completed. Recently, a                            |
|              | Temperance Beer Company,                | new definition was created                             |
|              | North Shore Cider Company,              | combining craft brewery, craft                         |
|              | etc.                                    | distillery, and micro-distillery                       |
|              |   | into one category - Craft                              |
|              |   | Alcohol Production Facility.                           |
|              |   | Special use in commercial                              |
| Canana       | E D' D' ''II                            | districts.   |
| Geneva       | Fox River Distillery                    | Amended the Planned Unit                               |
|              |   | Development to allow for a                             |
|              |   | craft distillery as a permitted                        |
| Oswego       | Oswego Brewing Company                  | Special Lies Domnit in the D2                          |
| Swego        | Oswego Brewing Company                  | Special Use Permit in the B2 (downtown) for a Beverage |
| 1            |   | Producing, Bottling, and                               |
|              |   | Distributing Establishment                             |
| Plainfield   | Tailwinds, Werk Force, etc.             | Breweries are permitted by                             |
|              | , | right in the downtown, also                            |
|              |   | allowed in an Industrial                               |
|              |   | Planned Development,                                   |
|              |   | classified a new distillery in                         |
|              |   | the downtown as brewery                                |
|              |   | therefore no zoning                                    |
| D. II        |   | entitlements needed                                    |
| Roselle      | Lyfred Winery and Pollyanna             | Special Use Permit in the B3                           |
|              | Brewery                                 | for brewery with taproom,                              |
|              |   | distillery with taproom, and                           |
| Wheaton      | Duy City Duore Waster 1                 | winery   |
| w neaton     | Dry City Brew Works and Tasting DeVine  | No zoning action needed                                |
|              | rasung Devine                           | (wine/beer shops a permitted                           |
|              |   | use); amended the liquor license to allow wine/heer    |
|              |   |  |
|              |   | shops to make their own beer                           |

Staff is proposing to allow craft alcohol producers as a conditional use, which is how breweries are currently listed in the B4A District. This allows for Plan Commission review on an individual basis. This review is important as a proposed location could be adjacent to residential or generate traffic, and staff would want to review each request on its own merit. Conditional Uses are subject to final consideration by the Village Board. Staff has heard anecdotal evidence that Noon Whistle, and the establishments in other municipalities, are a draw and bring in visitors from outside of Lombard.

Staff proposes to allow this as a conditional use in the B4A District, but also the B5 District (downtown), B5A District (downtown perimeter), and B2 District (includes property on St. Charles Road east of downtown and a portion of Westmore-Meyers Road near the Prairie Path). This discussion of breweries and distillers, etc. started after the 101-109 S. Main Street RFPs were received. Staff noted that it would be proactive to explore other districts in addition to the downtown (B5). By allowing the use as a conditional use in numerous zoning districts, it eliminates a step for a potential business. However, each business would still need to go the Plan Commission process as the use would be listed as a conditional use in the Zoning Ordinance. The ECDC noted that there could be concerns with odors and trash, which could be discussed during the conditional use permit process.

After review by the ECDC staff discussed adding the use to the Industrial District. Currently both food and dairy manufacturing and restaurants are separate conditional uses. Microbreweries and distilleries have some traits in common in restaurant, though staff did consider them separate landuses when Noon Whistle came before the Village. Lombard's Industrial District has seen conditional uses for athletic training centers and other non-traditional industrial uses. As the economy evolves, staff anticipates that the Industrial District could see other non-traditional uses. Staff proposes adding this use to the Industrial District, as a separate conditional use.

The current definition of microbrewery is below. The Zoning Code has no definition of winery or distillery, nor are these uses currently in Lombard.

Microbrewery is a business establishment where malt beverages of alcoholic content are produced for distribution, retail or wholesale, on or off premises, with a capacity of less than 15,000 U.S. barrels of beer per calendar year. The establishment may include as an ancillary use an onsite taste testing area and other uses such as a restaurant or tavern as permitted by the Village of Lombard Zoning Ordinance and/or Liquor Commissioner.

Staff reviewed the materials from the surrounding municipalities and noted that Evanston had a unique definition that combined all three potential uses. Staff proposes a new definition below. Staff notes that these uses are all similar from a land use perspective and one definition may simplify the categorization process. This would also allow a business to produce multiple kinds of alcoholic beverages. Staff did change the word *may* in the definition of microbrewery to *shall* in the new definition. Staff wanted to differentiate this new use from food and dairy manufacturing which is a conditional use in the Industrial District.

Craft Alcohol Production Facility is a commercial facility that produces beer, wine or other alcoholic beverages in quantities compliant with applicable local, state and federal regulations for distribution, retail or wholesale, on or off premises. The establishment shall include as an ancillary use an onsite taste testing area and other uses such as a restaurant or tavern as permitted by the Village of Lombard Zoning Ordinance and/or Liquor Commissioner.

## **ACTION REQUESTED**

Staff is bringing this item to the Plan Commission for informational purposes and discussion. This item may be brought forth as a text amendment at a later date to the Plan Commissions.

## Staff has the following questions:

- 1. Does the Plan Commission agree to allow other similar uses (distillery, winery) to the B4A with a conditional use?
- 2. Is the Plan Commission ok with expanding the zoning districts for the amended conditional use?
- 3. Is the Plan Commission ok with the proposed definition to replace microbrewery and encompass the other uses?